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GREATER HARTFORD'S BUSINESS NEWS

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PHOTO | STEVE LASCHKEVER



Hartford commercial real estate executive Christopher E. Ostrop brokered last summer's \$71.1 million sale of six buildings in downtown's Constitution Plaza.

BROKER INSIGHTS

Hartford's realty 'ambassadors' relay their short, long views

By Gregory Seay

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Anytime an employer wants to open doors, expand, relocate or shrink operations, they typically turn to commercial realty brokers.

These middlemen, who link buyers to sellers and tenants to landlords, for office-, industrial- and retail-space sales or leasing, are the marketplace equivalent of "first-responders" to clients who rely on brokers' contacts, advice and expertise to find that perfect

building or undeveloped acreage.

They also serve, in a real sense, according to John Glascock, UConn finance professor who heads the university's Center for Real Estate Studies, as "ambassadors to the community."

So who better to give the public a glimpse through their lenses of not just the current state of the Greater Hartford region's commercial realty environment, but also what these veteran observers see as potential gains and setbacks on the economic horizon for

Continued on page 14

PHOTO | CONTRIBUTED



CMG CEO Dr. Jarrod Post will be Starling Physician's new chief medical officer starting Jan. 1.

Doc merger reshapes Hartford's physician landscape

By Matt Pilon

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A merger of nearly 200 Hartford County doctors is all but complete.

Rocky Hill's Connecticut Multispecialty Group (CMG) and New Britain-based Grove Hill Medical Centers' 75 physician-partners voted this month to tie the knot,

creating one of the largest doctor-owned practices in Greater Hartford.

The groups, which have approximately 900 employees and 28 offices between them, say the deal is a merger of equals involving two financially healthy, doctor-owned organizations that see a long-term need to develop

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Airbus Connection

Connecticut's aerospace industry is the largest supplier base for France's Airbus. Find out what Airbus Americas' president thinks about Connecticut's competitiveness and the company's prospects of expanding its relationships with in-state suppliers.

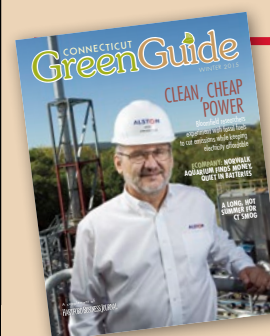
PG. 3



Broker Boost

Find out why some insurance brokers will be getting extra business from the state's health insurance exchange during the upcoming open enrollment season.

PG. 5



Winter Green Guide

Bloomfield researchers are experimenting with fossil fuels to cut emissions while keeping electricity affordable.

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CT's high costs no burden to its Airbus relationship



Barry Eccleston, president of Airbus Americas, once headed an East Hartford jet-engine consortium between Pratt & Whitney Co., Britain's Roll Royce PLC and others.

By Gregory Seay
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Whatever their operating-overhead burdens, Connecticut's aerospace suppliers are a "very, very good" source of components to one of the world's leading makers of jetliners, which welcomes buying more from a state that is its single largest U.S. supplier base, a top Airbus Americas executive says.

"We are always looking for good U.S. suppliers," said Barry Eccleston, president of the North and South American and Caribbean arm of Airbus SAS.

More than five dozen Connecticut makers of aeroparts and systems, such as jet engines, composite-cockpit components, auxiliary-power generators and aircraft landing gear, drew about \$6.5 billion in 2014 from Airbus for their products and services, up from \$5.7 billion in 2013, Eccleston said. That same year, Blagnac,

France-based Airbus spent \$16.5 billion with all of its U.S. suppliers.

In 2009, not long before Airbus successfully tested Pratt & Whitney's new fuel-efficient PurePower geared turbofan jet engine aboard its new A320neo aircraft line, Airbus spent just \$3.2 billion with Connecticut suppliers, he said.

Today, Pratt's Middletown plant assembles engines (V2500, GP7200 and PurePower geared turbofan) for three different Airbus fleets including the A320, A380 and A320neo.

The value of Pratt's aerospace relationship with Airbus was evident Oct. 16, as Eccleston was invited to keynote the 90th birthday celebration for Pratt at the Connecticut Convention Center.

Before the event, Eccleston talked about the importance of its relationship with Pratt and its United Technologies Corp. affiliate, United Technologies Aerospace Systems (UTAS), formerly Hamilton Sunstrand.

Eccleston declined to comment about the rancor among Connecticut's business community about what they say is the overburden of state taxes and regulation, high labor and energy costs and general uneasiness that the state is unfriendly to business.

Indeed, Connecticut ranked 33rd in a recent report measuring states' attractiveness for aerospace manufacturing.

Connecticut ranked dead last out of 50 states in operating costs and placed 32nd in overall tax burden in the "2015 Aerospace Manufacturing Attractiveness Rankings" produced

by accounting and consulting firm PricewaterhouseCoopers (PwC). The state fared better with its industry size and education rank coming in 19th and 14th, respectively.

Referencing Airbus' annual Connecticut procurement totals, Eccleston, a former Glastonbury resident, said it should be clear that Airbus has no problem with the pricing of products and services that it gets from its Nutmeg State supply chain.

Its Connecticut-sourced aerospace

Continued ▶

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components, he said, “are very, very good. We don’t deal with suppliers who are not good.”

When Airbus goes in search of new suppliers, it’s concerned with finding ones who are competitively priced with the products and services it needs, Eccleston said.

“That’s all we worry about,” he said.

There is opportunity, Eccleston said, for more Connecticut firms to supply Airbus with products, but it likely would be as a supplier of subsystems or parts vendor to a major Airbus supplier such as Pratt or Kaman. Starting in 1975, Pratt supplied engines for Airbus’ first commercial airliner, the A300, he said.

Today, Airbus also buys jet-engine covers, or “nacelles,” from UTAS and auxiliary power systems from Pratt Canada. More importantly, Airbus selected Pratt’s PurePower geared turbofan engine for its A320neo aircraft, which gave the East Hartford jet engine maker an opportunity to get back into the narrowbody business.

“Together, Pratt and Airbus really changed the aviation business because [Airbus] became a real competitor to Boeing,” Eccleston said.

Greg Gernhardt, president, Pratt & Whitney Commercial Engines, said “Airbus has been a great partner and customer in the process.”

Airbus will join other major aerospace and defense suppliers in Groton in November, for a networking session between them and smaller suppliers from Connecticut and other Northeast states, said Eccleston and Anne Evans, district director for the federal Commerce Department’s International Trade Administration in Middletown.

An engineer, Eccleston, 68, is no stranger



PHOTO COURTESY OF AIRBUS

More than five dozen Connecticut aero-suppliers provide engines, auxiliary power systems and other parts and subsystems for Airbus jets.

to Connecticut.

He arrived in 1984 and stayed through 1989, as sales vice president for former International Aerospace Engines, the then newly formed jet-engine consortium involving Pratt, British jet-engine builder Rolls Royce PLC and two Japanese and German engine makers. Eccleston was on the team that marketed IAE’s V2500 jet engine to Airbus for what later became its “bread-and-butter” workhorse, the A320.

While at East Hartford-based IAE, Eccleston resided in Glastonbury, he said. He took lessons and obtained his private pilot’s license at

Hartford’s Brainard Airport.

In 1994, he returned to IAE, this time as president. He remained until 1998. After several other corporate stops, including with aerosystems maker Honeywell, he landed at Airbus Americas as president in 2005.

Eccleston said he was looking forward, following his Connecticut visit and keynote, to returning to Airbus America’s base in Herndon, Va., and taking the controls of a Cessna T-172 that he occasionally rents to soar above Maryland’s and Virginia’s eastern shore.

“I find [piloting] a great way to decompress,” he said. ■

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Crystal Financial CEO Jennifer Lovett (left) and her team in South Windsor: (Left to right) Lindsay Fonseca, Allen Nieves and Jackie Figueroa.

PHOTO | CONTRIBUTED

Brokers could see boost this enrollment season

By Matt Pilon

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Connecticut insurance brokers could see more business in the upcoming enrollment period, following several changes put in place by the state's health insurance exchange, Access Health CT.

Seeking to improve customer service, deepen its relations with the broker community, and boost enrollments in its individual and small business plans, Access Health has designated four of its highest-volume insurance agencies to handle call center customer referrals during the next three months. Another handful of agencies will serve a similar function at five enrollment centers around the state.

The designated call center agencies, which have each brokered a minimum of 600 exchange enrollments, include Main Street Insurance, Hartford/Waterbury; HealthMarkets, Cromwell; Crystal Financial, South Windsor; and Premier Advisors, Bridgeport.

The four agencies, which will be on the clock six days a week from Nov. 1 to Jan. 31, replace a four-person broker team that worked in the call center in the previous two enrollment periods.

The added help nearly quadruples the broker man power supporting exchange sales during open enrollment, when the call center can be inundated with up to 400 customer inquiries a day, according to Access Health.

"I think what you're going to see is more of our [plans] being handled by local Connecticut brokers, helping customers on the phone and being accessible to them year round," said Josephine Sempere, Access Health's individual sales and training manager.

For the selected brokers, the contracts mean more referral volume and potential commissions.

The contracts also require the agencies to meet staffing guarantees and strict performance requirements, such as 60-second call answer times and high customer satisfaction survey scores — the first time the exchange has applied such metrics to broker partners.

The initiative comes as the expiration of federal funding for state exchanges looms at year's end, which will force exchanges to financially support more of their own operations.

Sempere said the program should help reduce Access Health's costs, but she said the main focus is on increasing sales through brokers, who have sold nearly one-third of the exchange's private or "qualified" health plans (QHPs).

"We feel our brokers, with the training

and professionalism they bring to a sale, you can't get that [quality of service] from any other party," Sempere said.

Crystal Financial CEO Jennifer Lovett said her agency has enrolled approximately 2,000 members in Access Health plans in the past two years. She said the exchange is wise to rely more on experienced local brokers, who are paid commissions by insurers, rather than the exchange itself.

"I think it was a very smart move because this will save Access Health a lot of money," Lovett said. "I think it's going to increase customer service as well."

Sempere said the programs won't take away business from the exchange's nearly 700 certified brokers, who receive referrals from Access Health's website and from their own client connections.

Non-broker navigators, counselors and assisters will also still be staffing the call and enrollment centers, she said, though brokers' overall claim to total enrollments will likely grow.

Brokers critical to exchange's future

Brokers are considered crucial to the future success of Connecticut's insurance exchange, which has performed better than many state and federal exchanges.

While Access Health is working to further build its relationship with brokers, it has been forced to grapple with gripes about website and other glitches brokers have encountered while selling Access Health plans. The exchange and its vendors, as well as insurers, are all middlemen in the process, which can complicate matters for brokers trying to serve clients. To avoid headaches, some brokers, including Mark Czarnecki, owner of Douglas Financial Services in Branford, prefer to enroll clients with a private insurer, rather than with the exchange, except for clients who qualify for federal subsidies.

That's why, Czarnecki said, it makes sense for Access Health to steer more customers to brokers with experience selling a lot of exchange plans.

"[Access Health] would like to get brokers to sell more insurance through the exchange instead of brokers bringing the client directly to the insurance carriers," said Czarnecki, who co-chairs Access Health's Brokers, Agents and Navigators Advisory Subcommittee.

Czarnecki said Access Health officials have worked hard to alleviate problems and acknowledge the importance of brokers.

"In 2015, there's much more focus on brokers," he said. "They go to meetings, they listen, and they're doing everything they can to fix the problems. It just takes time," he said. ■

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BY THE NUMBERS

13,285

The net number of residents Connecticut lost in 2014, representing 0.37 percent of the state's overall population, according to U.S. Census Bureau estimates.

10.28%

The overall state, federal and international tax rate of Fairfield conglomerate General Electric, according to a new study by WalletHub.

2,400

The number of September jobs added in Connecticut's leisure and hospitality sector, which outpaced job gains in all other industries.

\$218,000

The median sales price for a Greater Hartford home sold in September, according to the Greater Hartford Association of Realtors.

TOP 5 MOST READ

on HartfordBusiness.com

- CT developer Simon Konover, 93, dies
- Hartford Dev. Dir. Deller quits amid collapsed stadium deal
- Most third-party electric providers found to overcharge consumers
- Pro football league, again, eyes Hartford team
- Report: Aer Lingus coming to Bradley

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Aer Lingus will fly next year from Bradley to Dublin.

PHOTO | CONTRIBUTED

TOP STORY

CT backs Aer Lingus flight with \$9M guarantee

The state of Connecticut is providing Aer Lingus up to \$9 million in revenue guarantees over two years, if the Irish airliner's newly announced flight from Bradley Airport to Dublin experiences revenue shortfalls, state officials said.

Aer Lingus said last week it will start flights between Dublin and Bradley International Airport in Windsor Locks in September 2016.

The state will provide up to \$4.5 million during the flights first two years to offset revenue shortfalls, officials said. At the end of the first year, the state or the airline may also cancel the flight if ridership and revenues fall well below expectations, officials said.

Service will be on a B757-200 aircraft. It has a maximum capacity of 239, depending on how the cabin is configured. The previous international service from Bradley to Amsterdam was operated by Northwest Airlines.

The flight will include one evening departure from Bradley at 6:20 p.m. that arrives in Dublin at 5:20 a.m., and one afternoon departure from Dublin at 2:30 p.m. that arrives at Bradley at 4:40 p.m. Each flight will include 12 business class seats.

ADVERTISING, MEDIA & MARKETING

ESPN laying off 200 in CT, 300 companywide

ESPN announced last week that it will lay off 300 employees, including 200 positions at its Bristol headquarters. The company did not divulge what departments would be hit.

In a memo to employees, ESPN President John Skipper said, "We will be enacting a number of organizational changes at ESPN to better support our future goals — a process that will include the elimination of a number of positions."

ESPN spokesman Mike Soltys said the sports broadcasting giant is in compliance with the terms of a \$10 million incentive package the state provided when the company's Digital Center 2 opened 18 months ago. Those terms required spending \$175 million and adding 200 jobs. Soltys said both goals were met before the center opened.

Quinnipiac University journalism professor Rich Hanley said "ESPN is adjusting to the evolving structural realities of television that show the audience is leaking away toward cheaper, more selective alternatives to cable for the content it wants to watch."

AUTO

Hoffman Auto expands by purchasing BMW franchise

The Hoffman Auto Group has expanded into western Connecticut with the acquisition of BMW of Watertown. The new dealership will now be known as Hoffman BMW of Watertown.

This will be Hoffman's first BMW franchise. It sells the luxury German brands of Audi and Porsche in other locations.

Hoffman has dealerships in four Connecticut towns: East Hartford, West Simsbury, New London and Watertown. The company is comprised of 10 brands: Lexus, Audi, BMW, Porsche, Lincoln, Toyota, Honda, Nissan, Ford and Scion as well as a pre-owned vehicle dealership, Hoffman Used Car SuperStore.

ECONOMY & LABOR

CT lost 7,600 jobs in Sept.; unemployment rate falls

Connecticut lost 7,600 jobs in September, the state's first jobs decline in five months, according to the state Department of Labor.

Despite the job losses, however, Connecticut's unemployment rate fell to 5.2 percent, down from 5.3 percent a month earlier. A year prior, Connecticut's unemployment rate was 6.3 percent. Connecticut has added 27,000 jobs over the past year, DOL said.

Connecticut has recovered 99,500 positions, or 83.6 percent, of the 119,000 jobs lost in the 2008-2010 Great Recession.

SPORTS & ENTERTAINMENT

Pro football league, again, eyes Hartford team

Are you ready to invest in some football?

Hartford, once again, is being discussed as a possible location for a professional football team. The United States Football League's CEO has indicated Hartford would be a desirable location for the nascent league but only if financing can be raised.

"The type of cities we are interested in are those with a strong sense of community, a deep appreciation of sports, and a forward-thinking business atmosphere," said Jim Bailey, CEO of the USFL, in a statement. "We believe markets such as Albuquerque, Hartford or Louisville can develop into football havens, much like Green Bay or Canton."

Bailey added that the USFL would not identify team markets until all funding is in place. The league said it is seeking communities and investors that share the passion of the USFL to provide quality sports entertainment.

He said second-phase financing now being raised calls for approximately \$5 million in addition to the capital that has already been invested. The league is hoping to raise \$500 million. A league spokesperson said no kick-off deadline has been set. No games will be played until the funds are raised.

Pro football has been tried and failed before in Hartford, most recently in 2010 when the Hartford Colonials of the UFL folded after one season.

ENERGY & UTILITIES

Most third-party electric providers overcharged consumers

The state Office of Consumer Counsel says consumers are paying inflated prices for the delivery of electricity. Collectively they paid \$10 million more than the standard rate.

Data provided to the Public Utilities Regulatory Authority shows 86 percent of Eversource customers and 77 percent of United Illuminating (UI) customers paid more than the standard service rate in August if they used a retail electric supplier, with some customers paying prices as high as 23.7 cents per kilowatt hour.

Consumer Counsel Elin Swanson Katz identified 12 providers charging more than 20 percent of their customers 13.9 cents per kilowatt hour, which is 50 percent more than the CL&P standard rate.

GOVERNMENT, POLITICS & LAW

Audit commission to launch investigation of Dillon deal

Hartford's three-member Internal Audit Commission voted last week to proceed with an investigation of the now scuttled Dillon Stadium deal. IAC Commissioner Bruce Rubenstein was openly critical during the meeting of the city's handling of the deal, and said the problems likely wouldn't have occurred if the city had listened to the IAC's 2013 recommendation to hire a professional asset manager to vet financing documents.

The city has alleged that it was overbilled by Black Diamond Consulting Group for work related to the Colt Park soccer stadium — which Black Diamond wanted to overhaul in the hopes of getting a team into the North American Soccer League (NASL), where the New York Cosmos play.

Malloy calls for bipartisan budget talks

In a news conference where he didn't mince words, Gov. Dannel P. Malloy last week criticized legislative leaders on both sides of the aisle for not coming up with realistic alternatives to budget cuts he has made.

"I'm calling their bluff. I'm expecting them to put something on the table," he said calling for bipartisan meetings on the state budget.

The meetings could lead to a special session on the budget later this year, Malloy said.

Malloy's announcement was prompted by new revenue projections from the Office of Policy and Management — sent to Comptroller Kevin Lembo — identifying an approximately \$120 million revenue shortfall.

NONPROFITS

CT business charitable giving steady in last 5 years

About 96 percent of Connecticut businesses have maintained or increased their charitable levels over the past five years, according to the 2015 Connecticut Corporate Giving Survey, produced by the Connecticut Business & Industry Association and Liberty Bank.

The survey found that 56 percent of businesses have maintained a steady level of giving while 40 percent said they increased it. The survey also determined 22 percent of Connecticut employers provide incentives to do charitable work in the community. About one in 16 employees are mandated to do community service as part of their employment.



A rendering of West Hartford's proposed Arcadia Crossing development.

REAL ESTATE

Details bared for \$100M W. Hfd. nunnery-to-apts. redo

West Hartford would house one of its biggest, most dense residential communities yet if it allows the \$100 million conversion of a century-old, 20-acre, westside nunnery into 310 apartments, town papers show.

Arcadia Crossing would occupy the current site of the Sisters of St. Joseph's nunnery and chapel at 27 Park Road, on the southwest corner of Prospect Street and Park, on the West Hartford-Hartford border, according to the owner's and developer's application filed with West Hartford's Planning & Zoning Department.

The long-awaited application is the first publicly detailed description of Arcadia's scope since the proposed residential conversion first aired in June 2013.

At that time, Center Development Corp., of Port Chester, N.Y., acknowledged interest in redeveloping the Sisters' property, whose ownership dates to 1898. Center is listed on the application as the project developer; the Sisters are listed as the property's owner. That indicates that deed to the property remains in the Sisters' hands.

The first phase of construction would involve converting three existing buildings totaling 185,000 square feet to house 66 apartments — 36 of them for the Sisters. One of the three, a chapel, would become a "community-style" building, development

papers show. In addition, the site would have 550 garage and surface parking slots.

Wrapping those structures would be newly erected brick-and-masonry buildings with as many as six floors housing 244 more apartments, with one level of parking beneath, papers show.

EH mayor gets green light on casino bid

East Hartford Mayor Marcia Leclerc has been given the go-ahead to seek a casino. The town has identified the long-vacant Showcase Cinemas property on Silver Lane off I-84 as its single preferred site for development of an entertainment and gaming complex.

It is expected the mayor will take action in the next two weeks to let MMCT Venture LLC, the Mashantucket Pequot/Mohegan Tribal joint venture, know of the town's strong interest. The town council backed the proposal because it believes it could provide additional tax revenue; boost local employment; and, add nightlife that will attract non-gaming consumers.

However, East Hartford faces strong competition. The owners of the Enfield Square mall have presented a request to the Enfield Town Council. The Connecticut Airport Authority, which runs Bradley International Airport, has also expressed an interest in a casino being located at its facility.

CT developer Simon Konover, 93, dies

Simon Konover, one of Connecticut's leading real estate developers and philanthropists, died last week in Delray Beach, Fla. He was 93.

Konover founded, and for decades ran, The Simon Konover Co., based in West Hartford. SKC and Konover South remain active and are run, respectively, by his daughter, Jane Coppa, and grandson David Coppa.

His company and related ventures built, managed or invested in shopping centers, apartments, office and other commercial buildings throughout Connecticut and the East Coast.

Konover was honored with a Hartford Business Journal Lifetime Achievement Award in 2010 when he was 88 and still going to the office every day. At the time he said the key to his business success in the real estate business was diversification.

WHAT'S AHEAD:

- 11/2 Focus: **Real Estate**
- The List: **Commercial Property Managers**
- Nonprofit Profile: **Connecticut Center for Advanced Technology**

CALENDAR

WEDNESDAY NOV. 4

Insurance Market Summit



Jon Kaplan

Advances in technology, consumer preferences and mobility are creating market disruption in the global insurance industry. While the world may be safer, more transparent or efficient as a result, these changes present new challenges and opportunities for the insurance industry.

The Insurance Market Summit, which will be held Nov. 4 at the Connecticut Convention Center, 100 Columbus Blvd., Hartford, will convene key executives from globally recognized companies that are leading the strategic revolution for insurance and other consumer-driven industries.

The year's annual summit, which is put on by the Connecticut Insurance and Financial Services cluster, runs from 8 a.m. to 5 p.m. and will explore the rapidly changing landscape of today and tomorrow's global insurance industry. Featured speakers include **Jon Kaplan**, Google's vice president of U.S. sales and operations.

Cost to attend is \$250. For more information or to register go to: <http://www.connecticutifs.com/insurance-capital/imf.aspx>.

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Greater Hartford has many key retail centers including The Shoppes at Farmington Valley (shown above and left) and Blue Back Square in West Hartford (shown far left).

Retail still critical to municipalities' economic growth

By Matthew Broderick

Special to the Hartford Business Journal

As Canton's director of planning and community development, Neil Pade has noticed a shift in town over the past four years. He says the community — which saw its population grow 17 percent between 2000 and 2010 — has transitioned from defensively reacting to development opportunities to more proactively identifying commercial development residents desire.

Much of that shift has been driven by a thriving retail sector that has helped spur the towns' economic growth, which last year saw nearly \$223 million in retail sales, largely driven by the success of the Shoppes at Farmington Valley, an outdoor mall with more than 40 retailers.

"The Shoppes have helped drive some of the economic activity in the region from the WestFarms mall area out towards the Farmington Valley," Pade explained.

He points to a recent economic study commissioned by the town, which found that one-third of retail customers came from the neighboring towns of Avon and Simsbury, who generated nearly \$40 million in retail revenue.

Pade said the town also attracts a large number of recreationists to Canton's community assets, including the Farmington River, hiking trails and the Farmington Valley Stage Company. "We're a very visitor-oriented community," he said.

Andy Brecher, economic development director for Newington, which has a retail vacancy rate of 4.5 percent, said retail is vital to his town's economy. According to figures from the state Department of Revenue Services, Newington generated retail sales of more than \$770 million in 2013.

A major factor in those numbers is the Berlin Turnpike, which features many big-box stores like Walmart, Sam's Club and Lowe's — situated on land that, Brecher said, has been selling for \$1 million per acre.

"Commercial taxpayers account for over 25 percent [roughly \$23 million] of Newington's property tax revenue," Brecher said.

The growth and success of the turnpike has been aided by strategic zoning changes to improve the aesthetics of the town's main retail areas, Becher explained. "Reducing signage, lighting and electric vehicle charging stations, and a large municipal parking lot in the town center, have made Newington a more attractive location," he said, adding the parking is free everywhere in town.

And while Brecher is confident that Newington's vibrant retail sector will continue to be the town's economic engine, he understands that retailers in the region — and nationwide — will continue to face a growing challenge: Internet sales. "As more consumers grow comfortable with online purchases, it'll be hard for local retailers without a service component to their product to compete," he said.

Mark McGovern, director of community services for the town of West Hartford has already seen the impact of that trend. "It's very difficult for an independent retailer [to stay in business]," he said. "In West Hartford Center a lot of traditional retail space has transitioned to restaurants," McGovern explained.

According to a report released earlier this month by Massachusetts-based KeyPoint Partners, West Hartford has the lowest retail vacancy rate in the region at 3.3 percent. "When there is turnover — or a business closes — the space fills quickly," McGovern explained, noting West Hartford's retail sectors are strong outside of the center as well including Corbin's Corner, Bishop's Corner and Park Road.

While West Hartford's commercial sector remains strong, McGovern says the town's strategic plan is more focused on residential development.

"The value of a strong retail sector is that it adds to property values and spurs residential growth," he said. "The town is currently working on two new apartment buildings to target young professionals."

The hope is that strategy will, in turn, drive more retail business.

"Additional housing provides more feet on the street," said Barbara Lerner, executive director of the West Hartford Chamber of Commerce. She points specifically to Blue Back Square — a mixed-use development that combines entertainment, restaurants and residential space — as proof of a successful model. "We have seen that large national brands can work and co-exist very nicely with the small mom-and-pop [stores] of the West Hartford Center," she said.

Robert Bessell, a member of the Canton Economic Development Agency, a volunteer-run organization, sees the value of mixed-use development. With the town's population expected to grow an additional 3 percent by 2020, Bessell said smart land use is key.

"Mixed use of land is good from a tax purpose and retail purpose," Bessell said. "There are some real benefits to having people living above businesses. It makes the town more interesting," and successful retail more likely. ■

Q&A

CT retailers adapt to new credit card chip rules

Q&A talks about how Connecticut retailers are adapting to new credit card liability rules with Tim Phelan, president of the Connecticut Retail Merchants Association.

Q: Connecticut and the nation have recently launched new credit card terminals requiring customers to enter PIN codes. How has the rollout been?

A: The Oct. 1 change was a behind-the-scenes change in rules between the merchant and their card brands. It is designed to encourage merchants to upgrade their equipment and also encourage banks and credit unions to issue more secure cards. Merchants or issuers are not "required" to upgrade. Failure to upgrade, however, will shift the liability for counterfeit cards to the organization with the least secure solution. Most banks are choosing to issue

Q: How are your members reacting to the new technology? What are their thoughts on their increased liability for credit card fraud?

A: Retailers, by nature, want to sell goods or services and they adapt to the consumer's choice of payment. This enhancement is good for the ecosystem and will minimize the impact of a data breach. Once a merchant upgrades their terminal, the liability for counterfeit cards moves back to the issuer.



TIM PHELAN

President, the Connecticut Retail Merchants Association

Q: What's been the cost to business? How expensive has this been to rollout?

A: If a retailer has a standalone terminal, the cost for upgrading is less than \$500 per check-out station. If a retailer has a point-of-sale (POS) cash register system, the cost for the hardware is also less than \$500. In the case of a POS system, there are additional expenses for rewriting the code to handle the chip data. This cost varies widely based on the system and whether or not the code is handled by your staff or outside vendors.

► It is designed to encourage merchants to upgrade their equipment and also encourage banks and credit unions to issue more secure cards.

Q: What are your members expecting the impact to be during the upcoming holiday buying season? It seems as if transactions take longer to complete. That could mean longer lines on Black Friday for example.

A: Chip-card transactions take about 10 seconds longer once the transaction has been initiated. In addition, the cardholder needs to be taught a new way to handle the transaction: You dip the card instead of swiping it. During the transaction you need to leave the card in the reader. This allows the cryptogram to be "refreshed," which is the whole point of converting to the new system.

While we know that there is a "learning curve," most consumers and retail clerks will become very familiar with the transaction process and thereby minimize the delay at check out.

Q: There's been some grumbling that these new chip credit cards do nothing to prevent online theft where no PIN is required. Do your members feel they're

being unfairly targeted by the new technology and its liability penalties?

A: The liability for online transactions is (and always has been) borne by the merchant. A merchant that handles online transactions should already have strong anti-fraud tools. In other developed countries that have converted to chip, online fraud has gone up because that is the only place that a "bad guy" can use the data that they have stolen. If a merchant does any online transactions, we are encouraging them to review their procedures now, before the fraud starts to ramp up. ■



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Largest shopping centers in Connecticut

(Ranked by gross leasable area as of October 2015)

Rank	Shopping center	Gross leasable area (sq. ft.)	No. of stores	Anchor stores	Parking spaces	General manager	Owner	Year opened
1	Westfield Connecticut Post 1201 Boston Post Road Milford, CT 06460 203-301-2240; www.westfield.com/connecticutpost	1,335,703	150	Macy's, JCPenney, Sears, Target, Dick's Sporting Goods, Cinemark CT Post 14 + IMAX Theater	5,700	Dan Kiley	Westfield Corp.	1960
2	Westfarms 1500 New Britain Ave. West Hartford / Farmington, CT 06032 860-561-3024; www.shopwestfarms.com	1,310,000	165	Nordstrom, Lord & Taylor, Macy's, Macy's Men's Store and Furniture Gallery, JCPenney	6,500	Kevin Keenan	The Taubman Co.	1974
3	Danbury Fair 7 Backus Ave. Danbury, CT 06810 203-743-3247; www.danburyfairmall.com	1,300,000	200	Macy's, Lord & Taylor, Sears, JCPenney, Dick's Sporting Goods	NA	Maura Ruby	Macerich	1986
4	Brass Mill Center & Commons 495 Union St. Waterbury, CT 06706 203-755-5000; www.brassmillcenter.com	1,200,000	140	Macy's, JCPenney, Sears, Burlington, Regal Cinemas, Shopper's World	5,583	Tony Guerriero	General Growth Properties	1997
5	Westfield Trumbull 5065 Main St. Trumbull, CT 06611 203-372-4500; www.westfield.com/trumbull	1,123,714	144	Macy's, JCPenney, Target, Lord & Taylor	5,025	Patrick Madden	Westfield Corp.	1962
6	The Shoppes at Buckland Hills 194 Buckland Hills Drive Manchester, CT 06042 860-644-1450; www.theshoppesatbucklandhills.com	1,000,000	120	Macy's, JCPenney, Sears, Dick's Sporting Goods, Barnes & Noble	5,144	Andrew Sufian	General Growth Properties	1990
7	Westfield Meriden 470 Lewis Ave. Meriden, CT 06451 203-235-3343; www.westfield.com/meriden	889,919	129	Macy's, Sears, Boscov's	4,065	Ken Sterba	Westfield Corp.	1971
8	Crystal Mall 850 Hartford Turnpike Waterford, CT 06385 860-442-8500; www.simon.com/mall/crystal-mall	774,894	120	Macy's, JCPenney, Christmas Tree Shops, Bed Bath & Beyond, Sears	3,959	Karen Tarantino	Simon Property Group	1984
9	Enfield Square 90 Elm St. Enfield, CT 06082 860-745-7000; www.shopenfieldmall.com	767,000	78	Macy's, Target, Sears, Enfield Cinema 12	3,412	Marty Pelosi	NA	1971
10	Lisbon Landing 160 River Road Lisbon, CT 06351 617-232-8900; www.lisbon-landing.com	560,000	17	Dick's Sporting Goods, Digiplex Destinations, Home Depot, Kohl's, Wal-Mart	2,467	N/A (1)	WS Development	2001
11	The Shoppes at Farmington Valley 110 Albany Turnpike Canton, CT 06019 860-693-3059; www.theshoppesatfarmingtonvalley.com	420,000	46	Kohl's, Dick's Sporting Goods, Barnes & Noble, ShopRite, Talbots	1,745	Denise L. Robidoux	WS Development	2004
12	The Promenade Shops at Evergreen Walk 501 Evergreen Way, Suite 503 South Windsor, CT 06074 860-432-3398; www.thepromenadeshopsatevergreenwalk.com	369,000	60	Old Navy, L.L. Bean	1,969	Elizabeth Maheu	Evergreen Walk Lifestyle Center LLC	2004
13	Blue Back Square 65 Memorial Road West Hartford, CT 06107 860-882-0678; www.bluebacksquare.com	310,000	39	Crate and Barrel, REI, Barnes & Noble, Cheesecake Factory	1,883	Robyn Rifkin	Starwood Retail Partners	2008
14	Clinton Crossing Premium Outlets 20-A Killingworth Turnpike Clinton, CT 06413 860-669-3066; www.premiumoutlets.com/clinton	276,163	70	Saks Off Fifth, Polo Ralph Lauren, Tommy Hilfiger, Banana Republic, GAP, J. Crew	NA	Michael Mitchrone	Simon Property Group	1996
15	Cromwell Square Shopping Center 51 Shunpike Road Cromwell, CT 06416 203-861-9000; n/a	218,000	25	K-Mart, X-Pect Discount	1,284		HB Nitkin	1972
16	North Haven Commons North Universal Drive North Haven, CT 06473 860-724-5944; www.kwagroupct.com	196,662	12	Toys R Us, Big Lot's, Best Buy, Petco	710	Richard S. Wilson, Jr.	KWA Group	2008
17	The Shops at Somerset Square 140 Glastonbury Blvd. Glastonbury, CT 06033 203-861-9000; theshopsatsomersetsquare.com	115,000	25	Talbots, Ann Taylor	580		HB Nitkin	1988

Source: Individual shopping malls. Note: Stamford Town Center appeared on the 2014 list but did not complete survey this year.
(1) Position is currently vacant. The operation's contact is George Terrien, director of portfolio operations, 617-646-3266, george.terrien@wsdevelopment.com. The leasing contact is Micah Norton, 617-646-3274, micah.norton@wsdevelopment.com. The marketing contact is Holly Chambers, 617-646-3231, holly.chambers@wsdevelopment.com.
—Compiled by Stephanie Meagher and Heide Martin.

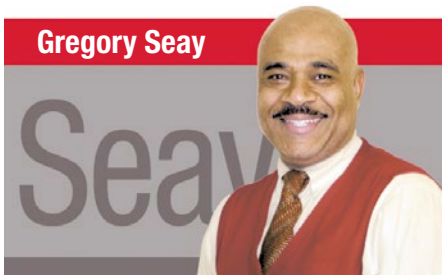
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To view the full list, please visit HartfordBusiness.com

Deringer-Ney expanding on 21+ Bloomfield acres

Gregory Seay



Metal-alloy and precision-components maker Deringer-Ney Inc. is erecting a 100,000-square-foot plant, building on more than 21 recently acquired acres in Bloomfield, brokers say.

The Vernon Hills, Ill., company already has a Bloomfield facility at 2 Douglas St., in Ney Industrial Park.

The new building is designed for office and light-industrial use, said Lyman Real Estate, which brokered Deringer-Ney's \$850,000 purchase of the acreage at 2 Mucko Road, at the corner of Woodland Avenue.

Lyman Real Estate represented land sellers Elizabeth Fernandez and Marie Mercaldi.

Deringer-Ney has other facilities in Marshall, N.C., and Sonora, Mexico. The company develops precious metal alloys and precision components for the medical device, automotive, semiconductor, aerospace and appliance industries.

Goodwill's Glastonbury redo

Nonprofit Goodwill of Western & Northern Connecticut has begun an expansion



Before and after images of the chipping-green makeover at TPC River Highlands.

of its Glastonbury store, expanding its secondhand-apparel and home-accessories sales floor and installing a drive-up donation window at 6213 Main St.

Work began in early October, said Goodwill President Vickie Volpano, to double by next spring the existing building's 6,384-square-foot footprint to 12,500 square feet.

Torrington's Borghesi Building & Engineering Co. Inc. is the project designer and construction contractor.

Goodwill leases the space it has occupied since 2003 from landlord Primason & Katzen.

The store has 18 employees/volunteers.

Goodwill's store revenue provides jobs and supportive services to people with disabilities and other challenges. It has 16 Connecticut stores.

TPC work underway

A \$3.1 million upgrade is underway on greens and infrastructure at the renowned TPC River Highlands golf course, the Cromwell home the last 24 years to the PGA Tour golf tournament, now called the

Travelers Championship.

The work centers on upgrading the course's drainage and playability, officials said.

TPC River Highland's original architect, Bobby Weed, and golf-construction contractor McDonald and Sons Inc. are overseeing the work that began Oct. 1, said TPC River Highlands General Manager David Corrado.

According to Corrado, course enhancements include:

- Rebuilding, repositioning, and restyling of all bunkers, incorporating new drainage and sand for improved playability
- Lifting of the front edges or corners of select greens, providing a greater number of pin positions
- Leveling some tournament tee boxes, including a new tee complex at No. 15
- Improving routing and repair of select golf cart paths
- Stabilizing the lake bank edges to avoid further erosion and improve aesthetics
- Adding and improving drainage throughout the golf course

"By keeping the existing layout of the

course intact while focusing our enhancements on certain key components, specifically our bunkers, greens and tee boxes," Corrado said, "we are confident that this project will continue to separate TPC River Highlands as the premier golf course in the state."

Damato's Newington relo

Damato Chiropractic Center has leased 6,000 square feet in Newington's Best Market Plaza at 175 Lowrey Place.

Damato, listed as the official chiropractor to the Hartford Wolf Pack, is preparing to relocate the Newington location from 94 Market Square in the center of town, according to lease broker Reno Properties Group LLC.

Lowrey Place Realty LLC is landlord.

Best Market Plaza is a 70,000-square-foot anchored shopping center, whose other tenants include Best Market supermarket and a U.S. Post Office branch.

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Healthcare consolidation continues

more advanced and integrated treatment systems, as health care slowly shifts away from the fee-for-service model.

As part of the merger, which is slated to take effect Jan. 1, CMG's approximately 100 physicians will separate from Hartford Healthcare's (HHC) Integrated Care Partners, a clinical integration organization that has more than 2,000 doctors, including HHC's own physician group, according to CMG CEO Dr. Jarrod Post.

That means ICP will lose one of its founding physician-group partners, and CMG will no longer have ICP negotiating with insurers on its behalf.

CMG and Grove Hill's combined organization will operate under the name Starling Physicians. A new website, starlingphysicians.com, was launched quietly this month, and letters notifying patients of the merger and new name are in the mail.

Starling is a type of bird known for gathering and traveling in massive flocks called "murmurations." The name is also a nod to noted 20th century circulatory physiologist Ernest Starling, said Post, who will become Starling's chief medical officer.

His counterpart, Grove Hill CEO Dr. Michael Genovesi, will be CEO. The 10-member board of directors will be equally split among CMG and Grove Hill members, Post said, adding that Starling will be shuffling some of its office space, with expansions in the works in

Glastonbury, Enfield and Farmington.

Eventually, Grove Hill doctors may depart from their mainly southern Hartford County territories for what has traditionally been CMG territory, and vice versa.

Consolidation wave

The merger is the latest example of health-care industry consolidation in Connecticut and beyond. Nationally, there have been 59 physician medical group acquisitions so far this year, up 37 percent from a year earlier, according to the Health Care M&A Report, which is published by Norwalk's Irving Levin Associates.

The trend has been driven by a variety of factors, including a desire to gain market share and clout with insurers, and to evolve toward a population health management model, requiring large, coordinated teams of providers seeking to improve outcomes of large patient populations.

In outlining their intended merger earlier this year, Grove Hill and CMG said they sought to get bigger and to improve patient care.

But the groups also want to move quickly in their shared evolution, Post said.



Michael Genovesi, CEO, Grove Hill Medical Centers

That's part of the reason Starling won't be a member of Hartford Healthcare ICP, which Post said was one of the hardest decisions Starling had to make as part of its merger agreement.

ICP includes Hartford Healthcare physician employees as well as doctors from outside groups (like CMG).

ICP has a Medicare accountable care organization and programs with health plans and employers.

Post, who is a member of ICP's board, said he has great respect for Integrated Care Partners' leaders.

"I know what they're trying to accomplish," Post said.

But CMG and Grove Hill felt they could develop clinical care models at a quicker pace if they separate from the much larger group.

Starling will still have relationships with Hartford Healthcare, and its doctors will still be in Hartford Hospital and the Hospital of Central Connecticut, Post said.

"We are acting a little more like an independent partner," he said. "We think we can be a stronger partner in this way."

Hartford Healthcare spokeswoman Rebecca Stewart said CMG and Grove Hill are "respected medical groups."

"We are in active dialogue with both groups about participating with ICP" in some type of partnership, Stewart said. "Hartford Healthcare looks forward to continuing

our work together with their members and patients as these two groups form a new affiliation."

While CMG has been a member of ICP since its founding several years ago, Grove Hill has always negotiated insurance contracts on its own.

Now, Starling will pursue the latter strategy. Even combined, Starling is much smaller than ICP. Will that create a challenge?

"What we may not have in volume, we have in capability," Post said. "Our groups are already functionally integrated and able to change health outcomes for our own and our partner's patients."

Starling will have the help of its new chief integration officer Tracy King, who most recently worked as ICP's vice president.

She will oversee integration of the two groups, insurance contract negotiations, and external partnerships with providers and payers.

Negotiations with various insurers are a looming hurdle; Post said Starling wants to have arrangements in place for January.

Post said 2016 will be a "cementing" year for Starling, as it focuses on integration.

An effort to recruit doctors or merge with other groups could come later.

"If there are other physician groups interested that have the same principles we do, we are certainly interested to talk to them," Post said. ■

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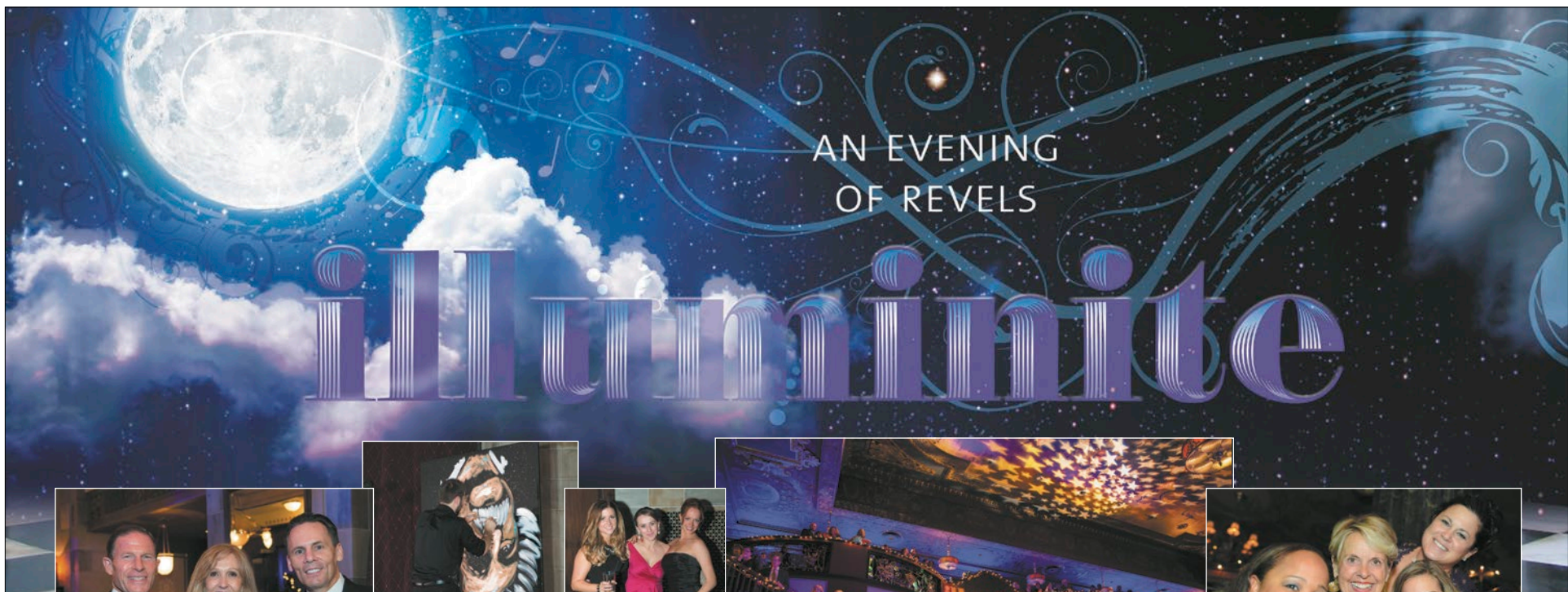


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8: Hartford's realty has turned the corner

Connecticut's Capital City.

The Hartford Business Journal recently sat down or corresponded with eight veteran brokers at seven of the Hartford region's most active and visible commercial brokerages. Each has 25 years or more of real estate experience, nearly all of it toiling in the Hartford region and covering the two periods in the last two decades that central Connecticut has undergone two major commercial real estate slumps.

Collectively, these brokers say Hartford's prospects in this stage of the second, most recent commercial-realty recovery look better this time around. But almost all harbor some doubts as to whether the halcyon days of the '80s for Hartford's office-space market will ever return. No office towers are likely to be built, absent an appreciable rise in office rents, or at least tenants' commitment for most of the space in any new office construction.

Too many changes wrought by demographics, the everyday impact of technology, along with a reworked perspective as to when, where and how people work have fundamentally altered the office-market fundamentals, they say.

The Hartford region's slow absorption of office, retail and industrial space vacated during the Great Recession is a sobering reality, these brokers say, especially for older, less desirable space. However, some do see a pickup in the market in several more years.

Here are some of their insights:

JOEL S. GRIECO,
Executive director, Cushman & Wakefield LLC's Hartford office



Joel S. Grieco

Biggest deal this year: BlumShapiro's long-term office lease of about 50,000 square feet at 29 S. Main St. in West Hartford.

The major difference between this latest slump/recovery cycle vs. the last one to hit this market

in the '90s, Grieco says, is the painfully slow absorption of empty office and other space.

The previous recovery in Hartford commercial real estate took place in 1999. That year, Grieco recalls, Cushman & Wakefield's market report signaled a sustained recovery in the local economy. All the Hartford region jobs lost between 1989 and 1992 were recovered, office vacancies shrank in the face of 1.5 million square feet of leasing activity in Hartford County, he said.

Hartford County's vacancy rate was 14.6 percent for all classes of office space.

Today, in contrast, the market remains sluggish, as does the local economy, Grieco said.

"Vacancy stands at 19.8 percent. 2014 saw leasing activity of only 700,000 square feet," he said. "Yes, we have witnessed sales of some downtown office buildings, but I believe that's more reflective of investors being priced out of more expensive markets and looking for value plays in tertiary markets. However, downtown Hartford does have an encouraging convergence of positive events such as the baseball stadium, Front Street, successful conversions of idle properties into vibrant apartments, the pending UConn presence, the Convention Center, and iQuilt. The core of downtown has a more upbeat feel."

The biggest difference he's noticed about the market recovery this time around is the great interest among tenants, especially ones with

local ties, to relocate to downtown Hartford.

"Grant Thornton, Cohn Reznick, Cantor Colburn, C.M. Smith, Microsoft, Jorden Burt, CareCentrix — these are all tenants that have moved from suburban locations to the Hartford [central business district]," he said. "The key driver seems to be two-fold. First, the cost to be downtown is competitive with the suburbs, and second, companies trying to attract younger workers find it a benefit to be in an urban location."

ANDREW D. FILLER,
Veteran broker recently named principal of Canadian realty broker Avison Young's first downtown Hartford office.



Andrew D. Filler

Biggest deal this year: A 10-year lease for 40,812 square feet at 60 Hartland St., Hartford.

Filler, who started his career in 1987 after graduating Trinity College by working for Avon commercial builder

Casle Corp., says the creation of more downtown apartments, plus more employers choosing to locate in the center city, adds a dimension to Hartford that didn't exist a decade ago.

"Hartford just can't be an office park. Three years ago, it was a complete ghost town," he said, referring to the dearth of people and closed shops after hours weekdays and on weekends. "Now, on Sundays people are walking around, having coffee. People walking the streets at lunchtime. I think it's cool."

The impending arrival, Filler said, of UConn and Trinity, joining University of St. Joseph and Capital Community College, along with the relocation of former suburban tenants, are stimulating Hartford's downtown revival.

"The lack of good space in the suburbs is driving people to look downtown," he said.

Meantime, downtown Hartford's high office vacancy has benefited from the state's purchase in recent years of the 55 Farmington Ave. office tower and the Connecticut River Plaza towers, overlooking Constitution Plaza. That helped reduce the city's downtown vacancy rate to the mid- to upper teens from the 20s previously, he said.

LAWRENCE J. LEVERE,
Director of office leasing, Sentry Commercial, Hartford



Lawrence J. Levere

Biggest deal this year: The sale of a 38,988-square-foot building at 151 National Drive in Glastonbury to Winding Brook Capital LLC for \$1.2 million.

The early '90s were a really slow time for downtown Hartford real estate. Even the impact of the last recession, Levere said, dulls in comparison to the lack of demand in the Hartford market in the '90s.

"I'm encouraged by the amount of out-of-town interest in Hartford," Levere said. "But I'm interested in how do they see things progressing. Are we headed toward a market that can support new office construction?"

UConn's new construction downtown

If each had one wish ...

The Hartford Business Journal offered each broker one wave of a magic wand, to be granted the one action each was certain would benefit them, their clients and the Greater Hartford community.

Jay Wamester, Colliers:

"To make Connecticut more pro-business. This is a very difficult state to do business in. We hear it all the time. This is not a state businesses are looking to come to grow."

John McCormick, CBRE:

"If there was some way to control our higher cost of doing business, that would pay dividends to our employment sector."

Mike Puzzo, CBRE:

"Creation of a world-class rapid-transit system that would connect us to New York City and Boston. What if you were able to get on a train and get to Boston? You'd potentially have companies in Boston that would consider locating to Hartford. That would be a potential game changer."

Tom York, Goman+York:

"Right now, [economic] growth is anemic at best. I'd change the dynamic that's creating that anemic growth."

Singling out the high cost of state and local taxes, utilities and other energy sources, and regulatory red tape, York said, "You put that all together, what do you expect the result to be?"

Chris Ostop, Jones Lang Lasalle:

"High-speed rail, connecting Hartford

to New York City. Overnight, New York City-based companies can compare the dramatically lower real estate costs in Greater Hartford as a truly viable option for some or all of their operations."

Joel Grieco, Cushman & Wakefield:

"I would cut the size of Connecticut government in half. The rest would happen on its own."

Andy Filler, Avison Young:

"It would be to have our state government be more pro-business and/or business friendly."

Larry Levere, Sentry:

"Bring back the Whalers. First of all, I love hockey. Second, Hartford in the late '80s was absolutely booming. You'd go out to eat after work and go to the [Whalers] game. There's something about major-league sports in Hartford that was a lot of fun."

Sentry's impending relocation of its downtown office into space above McKinnon's Irish Bar on Trumbull Street, closer to the new ballpark, is appealing, he said.

"I could see going down [to McKinnon's] for a beer and a burger, then walking over to the ballgame; inviting a client over."

— Gregory Seay

► **'Hartford for the last 20 to 25 years has been an office park. It's a nice office park. But it's an office park that happens to be the Capital City. Now Hartford is becoming a city destination, with apartments, shops, restaurants.'**

Christopher E. Ostop, executive vice president, Jones Lang Lasalle, Hartford

technically is office space, just not new "spec" office space, he said.

"The biggest, most obvious thing is residential," he added. Removing older, Class B and Class C office space from the market by converting it to housing has lowered the city's stubbornly high office vacancy from the mid-20s to the teens.

More feet on the street downtown means Hartford today is less of a 9-to-5 city and more round the clock, Levere said. Because of that, he says he sees potential for pulling more retailers into downtown. Ditto with the arrival of the Yard Goats minor-league baseball team that will occupy the stadium being built in the Downtown North quadrant, by spurring fans to linger downtown before and after games.

His biggest concern "is the lack of new office product in this market." When out-of-town brokers visit Hartford on behalf of prospective tenants, they ask, "What's new?"

"There's been new retail. New industrial. There's been new office, but it's medical and suburban," Levere said.

CHRISTOPHER E. OSTOP,
Executive vice president, Jones Lang Lasalle, Hartford



Christopher E. Ostop

Biggest deal this year: August's \$71.1 million sale of six buildings in downtown's Constitution Plaza.

The lending markets right now are wide open for Hartford, Ostop says. Lenders, he says, are giving great loan

terms. However, lenders are paying closer attention to loan-to-value ratios in their financing decisions. At one time, it wasn't unusual for financiers to underwrite loans for more than 80 percent of the real estate securing the loan. Not so this time.

"The pendulum hasn't swung all the way to stupid again," Ostop said.

Resonating right now is a growing sentiment

that downtown "has never been better."

"Hartford for the last 20 to 25 years has been an office park," Ostop said. "It's a nice office park. But it's an office park that happens to be the Capital City. Now Hartford is becoming a city destination, with apartments, shops, restaurants. What we didn't have before was that story, the incredible story of what has happened to downtown Hartford. The story wasn't as prominent as it is now."

JAY R. WAMESTER,
Principal/Hartford manager,
Colliers International



Jay R. Wamester

Biggest deal this year: \$17.6 million online auction of 30-story downtown Hartford skyscraper Goodwin Square and companion 124-room luxury hotel.

For the first time in his 28 years as a broker, and particularly the last 24 to 36 months, Wamester said "we're seeing more suburban tenants asking about space downtown."

"Hartford will never be a 24-hour city, but hopefully it can be an 18-hour city," Wamester said.

The latest round of Hartford gun violence, albeit in neighborhoods outside downtown, makes downtown tenant prospects wary, he added.

Wamester said he's always done a lot of distressed-property work for servicers and banks.

In the early '90s, he collaborated with the Federal Deposit Insurance Corp. to manage and/or sell off foreclosed properties and other realty-loan collateral seized in bank failures.

Wamester said he wonders how the recent buyers of the 100 Pearl St. skyscraper, who paid about \$130 a foot for a building in a market where office rents average \$22 a foot gross, will earn a decent return with such a gulf between available rents and the debt service.

"The challenge is we've never had any appreciation," he said. "The buildings' values haven't gone up. In many cases, buildings are selling for less than what the previous buyer paid. That's the play in Hartford — to buy buildings cheap."

THOMAS D. YORK,
Principal, Goman+York Property
Advisers, East Hartford



Thomas D. York

Biggest deal this year: A 42,391-square-foot, three-year lease at 275 Asylum St. in downtown Hartford (home to High School Inc.)

In the mid-'90s, Hartford's then-slumping realty market recovered, but the trough it came out of wasn't "remotely close to the conditions we previously had," he said.

Institutional growth by insurers The Hartford, Aetna and Travelers, along with the "dot-com" technology boom contributed to some of downtown Hartford's office space growth in the mid-'90s. Simultaneously, smaller corporate and retail tenants

signed up for space based on optimistic business projections, York said.

When the next market dip occurred after the Sept. 11 tragedy in 2001, those projections failed to materialize, forcing many of those same tenants to close doors or sharply cut back on overhead, including the amount of leased space. In addition, large corporate users of office space, some of it in buildings they owned, was vacated and left to sit empty. York calls it "shadow space."

By the mid-2000s, a demand pickup ate into Hartford's shadow-space inventory.

"I'd say that's been pretty well resolved," York said.

JOHN M. MCCORMICK JR.,
Executive vice president/partner;
MICHAEL S. PUZZO,
First vice president/partner,
CBRE-New England, Hartford



John M. McCormick Jr.



Michael S. Puzzo

Biggest deal this year (both brokers involved): In downtown Hartford, the \$37 million sale of 100 Pearl St.

McCormick and Puzzo offered contrasts in past recessions' impact on the Hartford region's real estate.

"Each previous recession has been a little different," McCormick said. "In the early '90s, it was the first time banking, insurance and defense were all down at the same time. Obviously, that was 100 percent of our marketplace."

Puzzo says layoffs in this last downturn were more concentrated on banking and insurance. Also, Greater Hartford's population growth has been stagnant during the same period.

The central region's base of local producers and service providers are doing well right now, both agree. But Puzzo adds, "We just haven't seen that robust hiring come back."

One big change they say they've noticed among prospective office tenants is a reluctance to take on more space than they absolutely need at the moment. That is holding back the refilling of much of the empty downtown and suburban office, retail and industrial spaces, McCormick and Puzzo said.

"Tenants are doing more with less," Puzzo said. "They're restacking themselves within their owned or leased space. The good news is they've restacked themselves for the long term. But the bad news is these space contractions tend to be permanent."

McCormick predicts the new downtown ballpark, UConn and Trinity coming into the center city, and creation of new apartments downtown will improve demand for retail and office space. In addition, landlords are certain to see more opportunities to firm up rents and renegotiate lease terms and conditions more favorable to them.

"We definitely think leasing activity will pick up in the next 12 to 24 months," Puzzo said, "as leases mature." ■

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HARTFORD BUSINESS JOURNAL

NONPROFIT NOTEBOOK

NONPROFIT PROFILE

Greater Hartford Arts Council

100 Pearl St., Hartford | letsgoarts.org

MISSION

To provide leadership for the financial success and organizational stability of the arts, heritage and cultural community of Connecticut's capital region.

TOP EXECUTIVE

Catherine Malloy, CEO

SERVICES

Provides grants, programs and services designed to leverage the arts to strengthen communities.

FY 2014 SUMMARY

	2014	2013
Total Employees	18	16
Total Assets	\$2,571,902	\$3,171,572
Total Liabilities	\$1,367,636	\$1,663,961

REVENUES

Contributions & Grants	\$3,222,184	\$3,337,739
Program Service Revenue	\$170,662	\$333,095
Investment Income	\$8,855	\$13,958
Other	\$25,972	\$62,959
TOTAL	\$3,427,673	\$3,747,751

EXPENSES

Grants	\$1,614,862	\$1,627,219
Member Benefits	\$0	\$0
Salaries/Employee Benefits	\$883,232	\$992,764
Fundraising Fees	\$0	\$0
Other	\$849,407	\$1,166,278
TOTAL	\$3,347,501	\$3,786,261
MARGIN	\$80,172	\$(38,510)

TOP PAID EXECUTIVES (FY2014)

	Base Salary	Total Compensation & Benefits
Catherine Malloy, CEO	\$165,000	\$177,506

SOURCE: GUIDESTAR IRS 990 TAX FORM

Mystic Aquarium received a **\$3 million** competitive grant from the **Department of Justice**, Office of Juvenile Justice and Delinquency Prevention, to develop and implement an innovative, conservation-based, science, technology, engineering and math mentoring initiative for youth. The program aims to positively impact the social development and academic achievement of at-risk and high-risk youth by connecting youth with mentors in weekly sessions in a safe and stimulating after-school environment.

• • •

The Greater Hartford Arts Council has awarded **\$77,500** in Hartford events grants to over 20 arts and cultural organizations across Greater Hartford. These grants support dozens of free exhibits, performances, festivals and parades that celebrate Hartford's cultural diversity, generate economic growth and promote community engagement. Hartford events grants are supported by contributions to the Arts Council's United Arts Campaign, as well as contributions from the United Way of Central and Northeastern Connecticut.

• • •

Berkshire Bank Foundation has awarded **\$9,500** in grants and pledges to four nonprofit organizations in Connecticut during their third quarter grants cycle. The funding from Berkshire Bank Foundation supported a variety of organizations including: Connecticut Historical Society, Hartford; InterCommunity Recovery Centers, East Hartford; Mercy Housing & Shelter Corp., Hartford; and Nutmeg Big Brothers Big Sisters, Hartford.

End Hunger Connecticut! has received a **\$40,000** grant from **Walmart Foundation** to support SNAP outreach and education in schools across Connecticut. The program will target 74 schools across Connecticut seeking to educate families about the SNAP program and increase program participation. This initiative is designed to help more school districts qualify for community eligibility, a provision that allows districts with a high volume of food insecure families to serve free breakfasts and lunches to all students.

• • •

The First Niagara Foundation announced grants totaling **\$1 million** to support not-for-profit youth mentoring programs and organizations across New York, Pennsylvania, Connecticut and Massachusetts through the regional bank's **Mentoring Matters** program. Thirty eight not-for-profit organizations across First Niagara's footprint will share in the \$1 million grant award, directly benefiting more than 40,000 children who participate in these programs.

• • •

The UIL Holdings Corp. Foundation announced a **\$25,000** grant to support the construction of a new Ronald McDonald House to be built directly across from Yale-New Haven Children's Hospital, helping to give more families a place to stay while their children are receiving care at the hospital. The Ronald McDonald House is open to referred families whose children have been diagnosed with a serious illness and are seeking treatment.

TOWN PROFILE

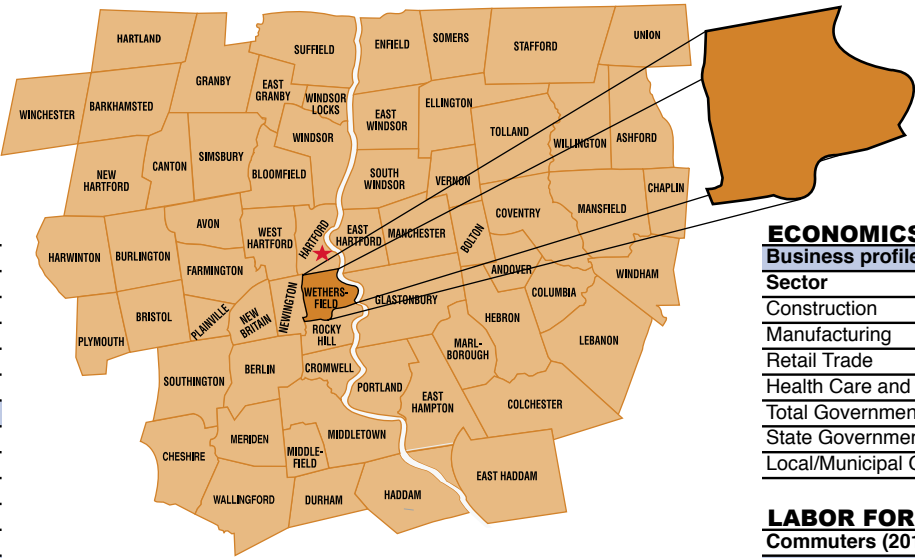
Land area (sq. miles)	12
Pop./sq. mile (2011)	2,153
Median age (2011)	45
Households (2011)	11,123
Median HH Inc. (2011)	\$76,196

Population (2012)	
2000	26,271
2010	26,613
2012	26,670
2020	27,344

Race/Ethnicity (2012)	
White	23,896
Black	957
Asian Pacific	538
Native American	5
Other/Multi-race	1,274
Hispanic	2,499

HOUSING	
Housing stock (2012)	
Existing units (total)	11,428
% single unit	77.9%
New permits auth. (2012)	3
as % existing units	0.03%
Demolitions (2012)	0
Residential sales (2011)	209
Median price	\$231,500

Top 5 Employers	
Corrections Department	
Wethersfield Health Care	
Labor Department	
VNA Healthcare	
Cox Communications	



WETHERSFIELD

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ECONOMICS

Business profile (2013)		
Sector	Units	Employment
Construction	48	133
Manufacturing	20	293
Retail Trade	97	1,258
Health Care and Social Assistance	86	1,289
Total Government	28	3,267
State Government	10	2,307
Local/Municipal Government	14	899

LABOR FORCE

Commuters (2011)			
Commuters into town from:			
Wethersfield	945	West Hartford	306
Hartford	752	New Britain	286
East Hartford	398	Rocky Hill	241
Manchester	340	Glastonbury	225
Newington	338		

Labor Force (Residence)		13,394
Employed		12,473
Unemployed		921
Unemployment Rate		6.9%

Place of Work (2013)	
# of units	720
Total Employment	9,924
Manufacturing Employment	293

TOP 5 GRAND LIST

Company	Amount	% of Net
Wethersfield Apartments Assoc LLC	\$20.3M	2.2%
Cedar-Jordan Lane LLC	\$14.4M	0.6%
Wethersfield Shopping Center	\$12.5M	0.5%
100 Great Meadow Road	\$12.6M	0.5%
Executive Square LTD Partnership	\$11.0M	0.4%

Source: Connecticut Economic Resource Center, www.cerc.com

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MOVERS & SHAKERS



Jay McGuinness



Brendan Maher



Meredith Martineau

ate out of First Niagara's New England region commercial banking office in Manchester.

Prior to joining First Niagara, McGuinness served as vice president-commercial loan officer at Connecticut Innovations and as senior vice president-commercial loan consultant and chief financial officer at United Mortgage Finance Group.

UConn's Insurance Law Center names director

University of Connecticut professor **Brendan Maher** was recently appointed director of the Insurance Law Center at UConn School of Law.

Maher is a nationally recognized authority on pensions, health care and insurance, and the statutes that govern them, including ERISA and the Affordable Care Act. He has written numerous articles in those fields and has appeared before the U.S. Supreme Court in cases establishing new rights in the field. He teaches in the areas of employee benefits, business organizations and federal procedure.

Co-Communications makes executive a partner

Co-Communications, a public relations and marketing firm with offices in Farmington and New York, has named **Jessica Lyon**, executive vice president and chief operating officer, a partner.

Lyon has been with the agency for more than 10 years and opened its Connecticut office in 2006,

building a client base in health care, real estate, finance, education and nonprofits.

Miami Bay Beverage Co. names vice president-operations for Northeast

Branford-based **Miami Bay Beverage Co.** has announced the appointment of longtime beverage industry veteran **Paul LeBlanc** to assist in the expansion of its trimino protein-infused water. LeBlanc becomes the company's new vice president-operations for the Northeast region, responsible for spearheading brand expansion from Pennsylvania to Maine.

LeBlanc, who held a variety of senior operations and sales management positions at Coca-Cola and Coca-Cola Enterprises, will focus on developing the organization and its footprint with distribution and retail partners in the Northeast.

Connecticut Food Bank adds new staff members

The **Connecticut Food Bank** has named **Mary Kate Carofano** chief development officer and **Paul Shipman** marketing and communications director.

Carofano was previously chief operating officer for the New England region of the National Arthritis Foundation. Prior to that, she held several roles at the National Kidney Foundation, rising to the position of national vice president for development.

Shipman was previously chief communication officer with the American Red Cross Connecticut and Rhode Island region. Shipman previously held positions with the Mark Twain House and Museum and United Technologies Corp.

Edu4Retirement Inc. adds CPA to firm

Southington-based **Edu4Retirement Inc.**, which

provides retirement education and advice and investment products, announced that CPA **Steven Tillona** has joined the firm.

Tillona brings nearly 40 years of investment and business experience, serving clients in investments, tax and business consulting. He has held several management positions with Cigna in the investments division. Tillona also was part of the management team responsible for integrating the Cigna purchase of Healthsource.

YWCA Hartford Region names director of early learning

YWCA Hartford Region recently named **Meredith Martineau** as the director of early learning.

Martineau joined YWCA Hartford Region in 2008 as a head teacher in the toddler room at West Hartford's Elmwood Early Learning & Childcare Center. In 2011, she was promoted to site manager at East Hartford Early Learning & Childcare Center and in 2013 became the organization's first instructional leader.

In her new role, Martineau oversees YWCA's four Early Learning & Childcare Centers in East Hartford, Hartford, Manchester and West Hartford.

Filomeno & Co. promotes director to principal

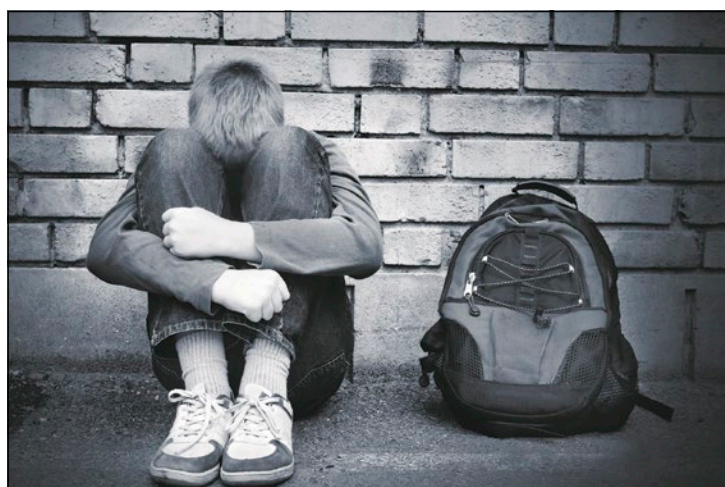
Filomeno & Co. P.C., a certified public accounting and business advisory firm in West Hartford, has announced the promotion of **Tina Faggaini** to principal.

Faggaini has been with the firm for 12 years, and serves as its director of operations and corporate treasurer.

As a principal, Faggaini will take an active role in developing and maintaining the growth of the firm and will continue to foster its collaborative learning environment, working closely with staff to support all firm projects.



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1



Photos By J. Fiereck Photography

2



October 14, 2015

DoubleTree by Hilton Hotel Bristol

Names read from left to right as they appear in photo

1- Networking before the event were Honorees, from left to right: Meredith Reuben from EBP Supply Solutions, and William McLaughlin and Brian Dermott from Precision X-Ray.

2 – Attendees, including Mario D'Aquila, right, from finalist company Assisted Living Technologies, network before the program begins

3 – Ross Nelson, Vice President, Northeast Region, Cox Business, welcomes everyone to the event

4 – Keynote speaker Tyler Burke, President and CEO of Turbine Technologies, talked about “passing the torch” and his personal review of a family business transition

5 – The Gates Automotive Group accepts the award in the 200 or more employees group, with sponsors, left to right, Jay Rasmus, MahoneySabol, Ross Nelson, Cox Business and Peter Samson, Berkshire Bank.

6 – Cynthia Tun from Edo Sushi Express accepts the first place award in the fewer than 25-full time employees category

7 – Kathy Cloud, center, from M. Frank Higgins, accepts the award with family members and co-workers in the 25 to 75 full time employees category

8 – Kara Ognelia from O&G Industries says a few words after accepting the award in the category of 200 or more employees

9 – Bill Lambot, Hartford Business Journal networks with Honoree Kip Dalpe, BioSafe Systems



6



5



7



8



9



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EDITORIAL

Time for Republicans to lead

Republicans have had the luxury — or misfortune — of playing Monday-morning quarterback the last few years as they've thrown mud at Gov. Dannel P. Malloy and his fellow Democrats for passing tax increases and unbalanced budgets.

They've played the role of the annoying little brother whose cries for attention are heard but largely ignored. They've lamented policies adopted by the legislature's Democratic majority, but haven't been able to form a coalition that offers, and adopts, a different approach.

Now, it's time for Republicans to truly show some leadership. Last week Gov. Dannel P. Malloy rightfully called for bipartisan budget talks, asking Democrats and Republicans to come to the table with actionable ideas to shore up Connecticut's short-term budget deficit and put the state on a more stable long-term fiscal footing.

Malloy is playing a high-stakes game of political poker, trying to call the bluff of Republicans and some Democrats who have said publicly they have better ways to close a nearly \$220 million budget deficit that has reared its ugly head over the last few months.

Malloy has already ordered \$103 million in budget cuts aimed at hospitals and other human services providers, which drew the ire of Republicans and Democrats.

The business community, like Malloy, is eager to see what lawmakers bring to the table and the onus, for a change, should be on Republicans to offer a grand vision for the future. Malloy, whether you disagree or agree with his policies, hasn't shied away from big ideas, whether it's investing billions of dollars in the bioscience industry or calling for a 10-year, \$100 billion transportation overhaul.

His strategies, however, have had mixed results. Despite two major tax increases the state budget still continues to face deficits, largely a result of slow economic growth. At the same time, Connecticut's unemployment rate has fallen to 5.2 percent, down from 9.2 percent when Malloy took office in 2011.

Grand visions, of course, don't have to come with billion-dollar price tags and that is the challenge facing Republicans. They need a strategy that reins in government spending, balances the budget long-term, and also ensures long-term economic growth.

Republicans have offered some ideas. House Minority Leader Themis Klarides (R-Derby), for example, has suggested scaling back Malloy's transportation investments and reining in municipal aid. Republicans have also made calls for labor concessions.

These ideas may be right-minded but they have lacked specifics, turning them into Republican talking points rather than a blueprint for the future that can garner bipartisan support.

What happens, for example, if municipal aid is cut and towns and cities begin to raise property taxes, worsening one of businesses' biggest cost burdens?

Businesses have also called for increased investment in the state's crumbling infrastructure. If we back off further investments in roads, highways, bridges, mass transit, etc., are we setting back our ability to more easily move goods and services around the state? How will that impact our economic competitiveness?

These are the types of tough questions Republicans must be able to answer as they bring ideas to the negotiating table in the days and weeks ahead. If Republicans really want to upend one-party rule in Connecticut, they need to play the role of visionary leaders, rather than obstinate rabble rousers.

And, of course, Malloy and his fellow Democrats must give Republicans a fair shot at shaping budgetary policy, because it's state residents who stand to lose the most if Connecticut's fiscal ship doesn't find calmer waters. ■

► **If Republicans really want to upend one-party rule in Connecticut, they need to play the role of visionary leaders, rather than obstinate rabble rousers.**

OTHER VOICES

Little-known U.S. policy undermines CT manufacturing

By U.S. Sen. Chris Murphy

Today, defense manufacturers in Connecticut need to be able to sell globally in order to compete. And having visited dozens of Connecticut military manufacturing companies since I was elected to the Senate, I've learned that any factory in Connecticut can compete with those in China or Europe or Mexico if the playing field is level. But too often, that's not the case. Sometimes, it's unfair trade practices abroad that stand in the way of Connecticut companies selling to the world. Other times, it's the wrongheaded trade agreements, like NAFTA, that harm our state's companies. But the most egregious, unjustifiable obstacles to global defense trade come from a little-known set of rules that are imposed on Connecticut companies by the U.S. government. They are called the Arms Export Control Act and International Traffic in Arms Regulations (ITAR) rules, and I am on a mission to change them so that they don't hold our state's companies back from exporting.



Sen. Chris Murphy

Since the 1970s, ITAR rules force companies wanting to export products to go through a slow, redundant and burdensome process to prove to the government that their products would not aid our enemies' militaries if they fell into the wrong hands. Before they can sell their goods, American firms must get sign-off from a host of separate government agencies that move at a glacial pace. The process for determining a product's possible military use often seems arbitrary, capricious, and many times lacks the objective and technical rigor required to make fair determinations.

America's ITAR mess is no secret. Foreign competitors of American companies routinely use the U.S.'s notoriously inefficient ITAR

certification process against us, even marketing their products as "ITAR-free" to get the upper-hand in pitches to prospective customers. This hurts Connecticut companies and, ultimately, costs Connecticut jobs.

One Connecticut company found out the hard way just how burdensome our ITAR process is. While working to launch a product to improve reliability and safety on commercial aircraft, they were subjected to huge licensing requirements, legal liability and massive costs that ultimately doomed the product and almost bankrupted the company.

The original intent of ITAR was to prevent the technological superiority of our military from slipping into the hands of terrorist or hostile countries — a noble goal. But the United States can ensure American companies aren't aiding our enemies without forcing U.S. companies into bankruptcy while trying to comply with the rules.

In 2009, President Obama sought to fundamentally restructure the system by examining what we control, how we control it, and how we enforce those controls. Here's one example: the Obama administration has simplified regulations for equipment used commercially

and moved almost all these products to a new streamlined Commerce Control List. This will reduce the number of regulatory hoops companies are forced to jump through and allow for faster export approval to over 30 U.S. allies. There is more work to be done, but this new export system will strengthen our national security and boost our economy.

The final step to fix these rules and open up more exports for Connecticut defense companies will be action from Congress to permanently codify the work done by the President Obama's Export Control Reform initiative. This will require a major piece of legislation from Congress to establish universal rules for the export of commercial items and protection of sensitive technology. I look forward to working with the Obama administration and the rest of my colleagues on both sides of the aisle to strengthen American made exports and keep more high-tech manufacturing jobs in our country. ■

► **But the most egregious, unjustifiable obstacles to global defense trade come from a little-known set of rules that are imposed on Connecticut companies by the U.S. government.**

HARTFORDBUSINESS.COM POLL

Should CT subsidize a transatlantic flight out of Bradley Airport?

- ☐ Yes
- ☐ No

To vote, go online to HartfordBusiness.com.

Last week's poll results:

Who is most to blame for the Dillon Stadium development debacle?

60.0% Segarra administration

23.5% City council

16.2% The developer

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Prepare for leadership transition by thinking like a Millennial

By Brent Robertson

Leadership transitions tend to take place behind closed doors, where a small group tries to replace the outgoing leader while mitigating disruption as best they can. Unfortunately, the results of this approach tend to leave organizations fixated on preserving the status quo instead of moving forward. But it doesn't have to be that way.

Successful leadership transitions can and should begin with empowering new leaders to actively engage with the entire organization to create its future. The process can be cathartic and energizing if taken on in an open and inclusive way.

Interestingly, this is how Millennials naturally think and work. Millennials look at the world differently and have some incredibly valuable things to contribute to the traditional ways the rest of us think and work.

They collaborate by default and encourage

diverse ideas to solve a problem; They are highly networked and work in rapid-fire, interactive ways; They are driven to succeed and break down hierarchies and silos to make progress; and they have an inherent understanding of how to use tools and technologies.

Leveraging Millennials' way of thinking can make all the difference in creating the conditions for a more successful leadership transition. When beginning your leadership transition conversation, consider the following framework.

1) Linguaging possibility

Begin with a big question such as, "What would be true if this transition is successful?" This question invites responses that go beyond just objectives or goals and speak to possibilities and how the organization can be shaped by the transition. Write down all ideas, no judgment. Work through them one-by-one so everyone understands what was meant and come to an agreement on which of these ideas your team is willing to own.

2) Provisioning possibility

Now that you've identified what success looks like, ask, "What are the most essential things that need to be provided to have this possibility

become a reality?" This question enables each member of the team to contribute what he or she sees objectively, without regard to current roles or historic structures. Capture all ideas and establish understanding and agreement.

3) Actioning possibility

With a clear understanding of what needs to be provided, ask, "Who will commit to providing what's most essential?" This encourages willing action from the team. It also allows them to ask for what they need to be successful.

How to be

It's not enough to do things differently; We also need to be different in how we conduct ourselves in these conversations.

Let go: If you are a current leader, you need to let go of any expectation of how any of this will go. Be willing not to be the one with the answer, instead drawing the answer out of your team. This is especially important if you are the leader who will be transitioning out of the organization.

Play, don't lead: You can't effectively facilitate these conversations if you have skin in the game and you can't effectively contribute to them if you are also leading them. Consider hiring a facilitator to lead the conversation who is an expert at

helping organizations successfully navigate strategic initiatives in an inclusive way.

Hold the space: If you are in a leadership position, you need to demonstrate what direct, objective contribution looks like. Be vulnerable, contribute fully, say what you see, how you feel, and others will do the same. Probe and ask so you can truly understand what someone else is trying to say or contribute.

This approach isn't just useful for leadership transitions. You can also use it with any other strategic initiative — be it entering a new market or designing a new program — to get the hang of it before applying it to a leadership transition.

Leadership transitions are something organizations will inevitably face as the largest generation in history, Baby Boomers, exit the workforce, and the Millennial generation takes over (Millennials will make up more than 50 percent of the workforce by 2020). If we take a page from Millennials' way of thinking, and create conditions that leverage their strengths, a leadership transition can leave your organization in the driver's seat of its own bright future. ■

Brent Robertson is a partner at West Hartford strategic consultancy Fathom.



Brent Robertson

BIZ BOOKS

Tips for maintaining long-term business success

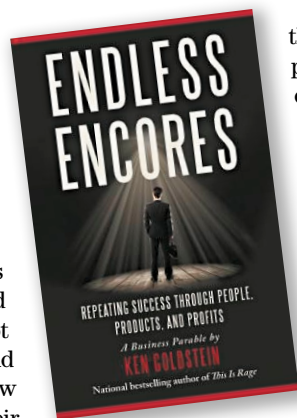
“Endless Encores — Repeating Success through People, Products and Profits” by Ken Goldstein (The Story Plant, \$22.95).

Goldstein, the former CEO of shop.com, tells the story of business travelers Paul and Daphne engaging in “barstool psychotherapy” about facts and foibles of business while waiting for their flight. Their conversation centers on “what’s up and what’s next.” To frame your mindset substitute your name for Paul. Here are some lessons Paul learned:

Success fades quickly when you believe that prior years’ hits will ensure ongoing relevance. Think of rock’n’roll. Bands like the Rolling Stones and AC/DC have endured and prospered because they’re not content to play their hits and maintain their audience. New material ensures they grow their audience. Message: A limited repertoire ensures a limited future.

Success involves risk; get comfortable with the uncomfortable. While your customers are satisfied with what you offer now, think outside their box. Ford Motor did that when it introduced Synch, a hands-free communication and entertainment system. Was it perfect? No. But it was first. Message: “What else can we do for customers that can build our core business, too?”

An idea is just that — until there’s a team



Jim Pawlak

that can build it into a viable product. It’s all about talent. That doesn’t mean that all the right people are all in the right places. It involves the mindset of that talent. Does the team aspire to “extraordinary?” If so, it will self-select those who are willing to settle for less, and jettison them. Does the team realize that achieving the organizational goal will help teammates reach personal goals? Teams with extraordinary aspirations understand that collaboration hones their talents and skills.

Key takeaway: “The only thing over that hill is another hill.” Find a way to climb it, or stay in the Point A valley resting on your laurels and playing “Woulda Coulda Shoulda” while watching others climb.

...
“Getting Beyond Better — How Social Entrepreneurship Works” by Roger L. Martin and Sally R. Osberg (Harvard Business Review Press, \$30).

► **Success fades quickly when you believe that prior years’ hits will ensure ongoing relevance.**

Social entrepreneurs (SE) differ vastly from social services providers because they build a scalable model for system change, rather than grudgingly accepting system equilibrium limitations (i.e. doing what they can with the status quo hand they’re dealt). “They don’t build on the works that preceded them so much as question and redefine it.”

An example: Andrea and Barry Coleman used their enthusiasm for riding motorcycles to transform the way healthcare services are delivered in sub-Saharan Africa. They realized that medicine and health treatments offered by social services providers didn’t reach many of those in need because of a lack of transportation capable of navigating trails and poor roads. They formed Riders for Health (RH) foundation, which raises funds for motorcycles for healthcare organizations and provides fleet management and repair services on all their vehicles. It estimates that 2.9 million extra people

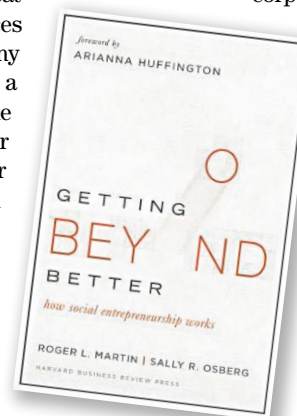
each year have interactions with health workers riding a Riders-managed motorcycle.

The SE reengineers the social services model to shift the value equation to the benefit of the disadvantaged. “They confront the societal structures that leave too many behind.” Showing governments, nonprofits, foundations and businesses different system-altering paths that work, SEs increase those organizations’ willingness to pay for additional investments. Far from its operating-shoestring beginning, RH now counts numerous foundations and corporate sponsors among its funding

sources. Many individuals donate motorcycles, trucks and cars to further its cause.

The books chronicle the stories of SEs whose service-delivery models changed systems for the better in health care, education, child labor and information access/knowledge-sharing. ■

Jim Pawlak is a nationally syndicated book reviewer.



ACCOLADES & MORE



The Garden Barn Nursery & Landscaping (above) is located in Vernon.

OF NOTE

GARDEN BARN NAMED ONE OF GARDEN CENTER MAGAZINE'S 'TOP 100'

The Garden Barn Nursery & Landscaping, based in Vernon, was named one of Garden Center magazine's "Top 100 Independent Garden Centers for 2015."

This is Garden Barn's second year on the list. The Garden Barn ranked 55 this year, jumping two spots from last year.

The Top 100 program surveys independent garden centers across North America.

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CERC AND EVERSOURCE RECEIVE EXCELLENCE IN ECONOMIC DEVELOPMENT AWARD



The Connecticut Economic Resource Center Inc. and Eversource energy received a "Gold Excellence in Economic Development" award from the International Economic Development Council (IEDC) for its Connecticut Economic Review publication in the category of General Purpose Print Brochure for communities with populations of greater than 500,000.

The Connecticut Economic Review features data about Connecticut's economic landscape – from the abundance of talent and attractiveness of location, to array of industries and quality of life and is used extensively for state business recruitment efforts.

The award was presented to Robert Santy, CERC president and CEO (shown above accepting the award), during the 2015 IEDC annual conference in Anchorage, Alaska.

...

ST. FRANCIS HOSPITAL AND MEDICAL CENTER ACHIEVES PREMIER CERTIFICATION STATUS FOR GERIATRIC FRACTURE CARE

St. Francis Hospital and Medical Center has achieved the highest level of certification for geriatric fracture care programs from the International Geriatric Fracture Society (IGFS). The IGFS CORE certification program is a global quality improvement initiative designed to recognize the achievements of programs that exceed outcome benchmarks in the management of geriatric fractures.

In receiving this recognition, St. Francis has exceeded benchmarks on key quality indicators as identified by the IGFS in data submitted over the past year.

Please Note: All electronic submissions for Accolades should be sent to accolades@HartfordBusiness.com. For more information about the Hartford Business Journal's Accolades Page, please visit www.HartfordBusiness.com.

CHEERS FOR ÄDELBROOK RAISES FUNDS FOR CHILDREN



Cheers for Ädelbrook, a wine-tasting fundraiser, raised over \$16,000 for the children and young adults served by Ädelbrook, a multi-service agency specializing in behavioral and developmental services. The catered event, sponsored by Liquor World of Cromwell, was held at the Crowne Plaza. Ädelbrook provides services for families and individuals with intellectual/developmental disabilities and Autism Spectrum Disorder. Pictured (from left) are Nicole Nalepa, WFSB; Garrell S. Mullaney, Ädelbrook president and CEO; Dan Hovey, Turnpike Motors; Rachal Hovey, speech assistant at Ädelbrook; Renee DiNino, The River 105.9 iHeart Radio; and Marty Smith, Turnpike Motors.

CANTOR COLBURN EVENT HELPS LAUNCH NEW SCHOLARSHIP



Michael Cantor and Hartford intellectual property law firm Cantor Colburn recently hosted an event to launch the Cantor Colburn Scholarship at the UConn School of Law. At the event, Steven Greenspan, chief litigation counsel for UTC and president of the UConn Law School Foundation, discussed the importance of UConn Law's graduates in the UTC workforce. Timothy Fisher, dean of the Law School, discussed the role of scholarships in recruiting students and reducing student debt. The Cantor Colburn scholarship will be directed toward law students pursuing a career in intellectual property and patent law. Pictured (from left) are Fisher, Cantor and Greenspan.

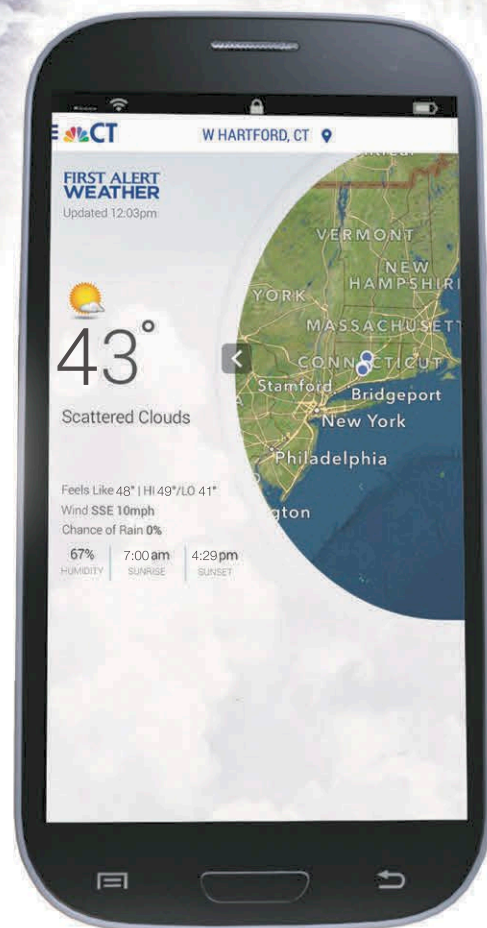
CT CELEBRATES MANUFACTURING MONTH



A Manufacturing Mania event was held recently at the Bristol Boys and Girls Club to kickoff the celebration of Manufacturing Month in Connecticut. More than 200 middle school students from throughout the state visited and met with manufacturers to learn about the high-paying, high-tech jobs in Connecticut's manufacturing sector. The event was coordinated by the Connecticut. Dream it. Do It. program. Students from throughout the state (shown left) work on a project to engineer and manufacture ice cream sticks.



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